

Cambridge University Press

978-1-107-01498-5 - Pay: Why People Earn what they Earn and what you can do Now to Make More

Kevin F. Hallock

Table of Contents

[More information](#)

## Contents

<i>Figures</i>	<i>page vii</i>
<i>Tables</i>	<i>ix</i>
<i>Acknowledgments</i>	<i>xi</i>

## PART I: HOW HARD CAN THIS BE?

1. Common Sense, Economics, and HR: How to Pay	3
2. Wages, the Wage Distribution, and Wage Inequality	10
3. The Facts: Who Makes What and What Are Their Characteristics?	21
4. The Difference Between Wages and Total Compensation: Is There a Difference Between Employee Value of Compensation and the Cost to Organizations?	40

## PART II: HOW ORGANIZATIONS SET PAY STRUCTURE AND WHY

5. Business Strategy and Compensation Strategy: Where You Work Matters	51
6. What's in a Job?: Job Analysis, Job Evaluation, and Internal Comparisons	61
7. Matching the Internal Organizational Structure to the Right Market Data: How and How Much to Pay	76
8. Paying Executives, Athletes, Entertainers, and Other "Superstars"	84

Cambridge University Press

978-1-107-01498-5 - Pay: Why People Earn what they Earn and what you can do Now to Make More

Kevin F. Hallock

Table of Contents

[More information](#)

vi

*Contents*PART III: HOW PEOPLE ARE PAID CAN MEAN AS MUCH AS HOW MUCH  
THEY ARE PAID

- |   |     |
|---|-----|
| 9. Evaluating Performance, Incentives, and Incentive Pay      | 111 |
| 10. Stock and Stock Options                                   | 125 |
| 11. Pay Mix: Why Offer Benefits? Would Employees Prefer Cash? | 135 |
| 12. International Compensation                                | 141 |
| 13. Compensation in Nonprofit Organizations                   | 152 |

PART IV: WHAT YOU CAN DO TO MAKE MORE  
AND CONCLUDING COMMENTS

- |  |     |
|--|-----|
| 14. What You Can Do Now to Make More Now and Later | 187 |
| 15. Concluding Thoughts on Pay                     | 196 |
| <i>Notes</i>                                       | 199 |
| <i>References</i>                                  | 207 |
| <i>Index</i>                                       | 219 |

Cambridge University Press

978-1-107-01498-5 - Pay: Why People Earn what they Earn and what you can do Now to Make More

Kevin F. Hallock

Table of Contents

[More information](#)

## Figures

2.1	Hourly wage distribution by gender, United States 2010	<i>page</i> 13
2.2	Wage percentiles by year, United States 1979–2010	14
2.3	Wage inequality by year, United States 1979–2010	15
2.4	Median total CEO pay by year, United States 1979–2009	16
2.5	Median total CEO pay to worker pay, United States 1979–2009	18
3.1	Wage gaps by gender	25
3.2	Wage gaps by race, relative to “white” workers	27
3.3	Wage bonus for additional year of age	28
3.4	Wage gaps by education level, relative to high school education	30
5.1	The WorldatWork total rewards model	53
6.1	Pay versus “stuff that one does”	62
6.2	Example of a job evaluation worksheet for an organization	71
6.3	Example of a job evaluation worksheet for a job	72
6.4	Job evaluation points	72
6.5	Job evaluation points in different job families	75
7.1	Market Pay Line	79
8.1	CEO compensation by industry (in thousands of dollars)	90
8.2	CEO compensation by company size (compensation in dollars, vertical axis is revenue in millions of dollars)	92
8.3	CEO compensation mix by industry	94
8.4	CEO compensation mix by size group (revenue in millions of dollars)	95
8.5	Pay differences by layoff status (no control variables)	96
8.6	Pay changes by layoff status (no control variables)	97
8.7	Fraction of firms announcing at least one layoff and mean total CEO compensation by company size	97
8.8	The economic relationship between layoffs and CEO pay	98
8.9	Executive compensation and company size	99

Cambridge University Press

978-1-107-01498-5 - Pay: Why People Earn what they Earn and what you can do Now to Make More

Kevin F. Hallock

Table of Contents

[More information](#)

viii

*Figures*

9.1	Aerial schematic of a cucumber-picking machine	112
9.2	Different raises for same performance	120
13.1	The “wage gap” between for-profit and other organizations	172
13.2	The “wage gap” between nonprofits and private sector (government and self-employed excluded)	173

Cambridge University Press

978-1-107-01498-5 - Pay: Why People Earn what they Earn and what you can do Now to Make More

Kevin F. Hallock

Table of Contents

[More information](#)

## Tables

2.1	Hourly wage distribution in the United States in 2010	<i>page</i> 11
3.1	Hourly wages nationally for protective service occupations	22
3.2	Relative pay for major occupational groups by metropolitan area	33
3.3	Finding pay for people who do what you do where you do it: Hourly wages by specific occupation and specific region (health care support occupations, Barnstable, MA, May 2010)	38
4.1	Employer costs per hour worked	42
6.1	Some O*NET details for dental assistant occupation	66
6.2	U.S. government's GS system pay scales salary table 2011	69
8.1	eBay "Summary Compensation Table" from 2009 proxy statement	86
8.2	CEO compensation by industry	91
8.3	CEO compensation by revenue	93
10.1	Stock option prices, based on various assumptions	129
12.1	International differences in marginal tax rates and typical long-term incentives	145
12.2	U.S. Department of State allowances for working abroad (selected locations)	148
13.1	Tax-exempt organizations registered with the IRS in 2009	154
13.2	Nonprofit "industry" classifications, National Taxonomy of Exempt Entities (NTEE)	157
13.3	Sample means and standard errors from 2000 Census data	170
13.4	Sample means and standard errors for pay of top managers of nonprofits from IRS data	178
13.5	Pay for top managers of nonprofits by industry group	179